

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL

OMB Number: 3235-0049

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response . . . 4.07

Name of Investment Adviser:

Probity Advisors, Inc.

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code

Telephone Number

10000 N. Central Expressway #1326

Dallas

TX

75231

214 891-8131

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential Persons who are not to respond to the collection of information contained in this form are not
required to respond unless the form displays a currently valid OMB control number.

Applicant:
Probity Advisors, Inc.

SEC File Number:
801- 61430

Date:
10/29/2009

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | |
|---|---------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services | 90 % |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services | _____ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above | 1 % |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above | _____ % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ % |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | 7 % |
| <input type="checkbox"/> (8) Provides a timing service | _____ % |
| <input checked="" type="checkbox"/> (9) Furnishes advice about securities in any manner not described above | 2 % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

Yes No

B. Does applicant call any of the services it checked above financial planning or some similar term?

☒ ☐

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of Clients -- Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

3. Types of Investments Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <p>A. Equity securities</p> <p><input type="checkbox"/> (1) exchange-listed securities</p> <p><input type="checkbox"/> (2) securities traded over-the-counter</p> <p><input type="checkbox"/> (3) foreign issuers</p> <p><input type="checkbox"/> B. Warrants</p> <p><input type="checkbox"/> C. Corporate debt securities
(other than commercial paper)</p> <p><input type="checkbox"/> D. Commercial paper</p> <p><input type="checkbox"/> E. Certificates of deposit</p> <p><input type="checkbox"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="checkbox"/> (1) variable life insurance</p> <p><input type="checkbox"/> (2) variable annuities</p> <p><input type="checkbox"/> (3) mutual fund shares</p> | <p><input type="checkbox"/> H. United States governmental securities</p> <p>I. Options contracts on:</p> <p><input type="checkbox"/> (1) securities</p> <p><input type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input type="checkbox"/> (1) real estate</p> <p><input type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input type="checkbox"/> L. Other (explain on Schedule F)</p> |
|--|--|

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|--|--|
| <p>(1) <input type="checkbox"/> Charting</p> <p>(2) <input type="checkbox"/> Fundamental</p> <p>(3) <input type="checkbox"/> Technical</p> | <p>(4) <input type="checkbox"/> Cyclical</p> <p>(5) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|--|--|

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|--|--|
| <p>(1) <input type="checkbox"/> Financial newspapers and magazines</p> <p>(2) <input type="checkbox"/> Inspections of corporate activities</p> <p>(3) <input type="checkbox"/> Research materials prepared by others</p> <p>(4) <input type="checkbox"/> Corporate rating services</p> | <p>(5) <input type="checkbox"/> Timing services</p> <p>(6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission</p> <p>(7) <input type="checkbox"/> Company press releases</p> <p>(8) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|--|--|

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|---|
| <p>(1) <input type="checkbox"/> Long term purchases (securities held at least a year)</p> <p>(2) <input type="checkbox"/> Short term purchases (securities sold within a year)</p> <p>(3) <input type="checkbox"/> Trading (securities sold within 30 days)</p> <p>(4) <input type="checkbox"/> Short sales</p> | <p>(5) <input type="checkbox"/> Margin transactions</p> <p>(6) <input type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies</p> <p>(7) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|---|---|

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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5. Education and Business Standards.	Yes No
Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....	<input checked="" type="radio"/> <input type="radio"/>
(If yes, describe these standards on Schedule F.)	

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

• name	• formal education after high school
• year of birth	• business background for the preceding five years

7. Other Business Activities. (check those that apply)

☐ A. Applicant is actively engaged in a business other than giving investment advice.

☒ B. Applicant sells products or services other than investment advice to clients.

☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.

☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input type="radio"/> (1) broker-dealer	<input checked="" type="radio"/> (7) accounting firm
<input type="radio"/> (2) investment company	<input type="radio"/> (8) law firm
<input checked="" type="radio"/> (3) other investment adviser	<input checked="" type="radio"/> (9) insurance company or agency
<input checked="" type="radio"/> (4) financial planning firm	<input type="radio"/> (10) pension consultant
<input type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="radio"/> (11) real estate broker or dealer
<input type="radio"/> (6) banking or thrift institution	<input type="radio"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

Yes No

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?...

☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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9. Participation of Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- | | | |
|--|----------------------------------|-----------------------|
| 10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account? | Yes | No |
| | <input checked="" type="radio"/> | <input type="radio"/> |

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:
- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggers factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Security selection and asset allocations are reviewed not less than once per quarter. While the firm's investment policy is independent to the movement to the broader markets, the firm is acutely aware of factors effecting individual securities and will review/reaffirm investment decisions as pertinent information becomes available. Reviews are conducted by the firm's analysts and portfolio managers. Currently, the firm has two full time portfolio managers and two full time analysts. The analysts perform research, financial analysis, economic reviews, recommend securities, maintain internal management systems and model accounts based on the firm's current investment disposition. Portfolio managers are responsible for the oversight of analyst activities and the approval and execution of recommended actions in the client account. Accounts are not assigned to specific portfolio managers or analysts.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Clients receive both a monthly position statement and quarterly performance report. Monthly statements are distributed by the custodian and they detail the account valuation, security activity, portfolio holdings, dividend/interest/distribution summary, money market details, and any messages relevant to the client's account. Probity Advisors issues quarterly performance and daily website reports that provide clients with a portfolio summary, asset allocation analysis, performance summary, portfolio holdings summary and realized/unrealized gains/loss information.

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|-----------------------|-----------------------|
| (1) securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

B. Does applicant or a related person suggest brokers to clients? ☐ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|-----------------------|-----------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- | | | |
|--|-----------------------|-----------------------|
| Has applicant provided a Schedule G balance sheet? | Yes | No |
| | <input type="radio"/> | <input type="radio"/> |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer
Item 1D.	<p>Item 1D. Probity Advisors, Inc. provides clients with professional, discretionary portfolio management services through one of five investment platforms: The Advantage Platform, The Multi-Manager Platform, The Tactical Allocation Platform, The Fixed Income Platform and The Qualified Retirement Plan Program.</p> <p>Advantage Platform: The Probity Advantage Platform is designed for investors who seek customized portfolio management at both the asset class and individual security level. The process is initiated with a detailed analysis of the client's individual risk and return parameters. The client's life goals, personal preferences and financial concerns are assessed and used to develop an investment roadmap which our portfolio managers use in designing the investor's ideal asset allocation. Our team of research analysts rigorously applies our investment methodology to determine the most appropriate individual stocks, bonds, preferred and convertible securities and REITs for the clients. Our firm's best investment ideas are constantly being reviewed and allocated to the client's account. Portfolios are monitored regularly, seeking opportunities to not only increase return but reduce volatility. The investor's buy and sell constraints, sector minimum and maximum preferences, transaction costs, individual short-term and long-term tax rates, tax budget, time horizon and risk profile are all considered in creating a truly optimized investment experience. Qualifying accounts start at \$250,000.</p> <p>Probity Multi-Manager Platform: Overlay management platforms are quickly gain popularity as the preferred approach for managing multi-asset class portfolios for private clients due to a number of advantages they present over the traditional management platforms. Whereas a traditional money manager is often responsible for both the asset allocation and the security selection, an overlay management approach divides the responsibility for the portfolio between an overlay manager, who is responsible for the portfolio's strategic oversight, and a variety of underlying managers, each responsible for the management of a specific aspect of the portfolio. The belief is that this structure results in more thorough due diligence, better strategic oversight, reduced manager risk and greater manager specialization. The overlay manager typically is responsible for the macroeconomic analysis, asset allocation and underlying manager selection, while the underlying asset managers are responsible for the specific security selection and trade execution. This structure, while academically appealing, has traditionally been vulnerable to clumsy implementation, excessive expenses, security concentration risks, and the inability to customize the account to the client's specific tax, social and moral concerns. Probity Advisor's Multi-Manager Platform was developed to retain the very best aspects of the conventional overlay approach while still allowing for the customized features and services our clients have come to expect. Whereas most overlay programs require a separate account to be opened with each underlying manager, Probity Advisors' Multi-Manager Platform is implemented within a single unified account, resulting in a lower overall minimums and lower fees. Probity Advisors acts as both the overlay manager and the executing agent, utilizing Probity's own proprietary Advantage models along with the models of some of the industry's most respected third-party money managers. The result is an optimized portfolio that takes advantage the efficiencies of single account management while eloquently blending together the ideas of today's best managers. Qualifying accounts start at \$250,000.</p> <p>Tactical Allocation Program: Probity's Tactical Allocation Platform was designed for those investors who want an efficient means to invest in a multi- asset class portfolio, but with an active management overlay that attempts to optimize the portfolio for the particular political and economic environment. Like the Advantage Platform, the investor's life goals, personal preferences</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 1

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer										
	<p>and financial concerns are assessed and used to develop an investment roadmap but instead of buying individual stock and bond position, our portfolio managers use low cost, indexed securities to construct broadly diversified portfolios. Again, like the Advantage Platform, the investor's buy and sell constraints, transaction costs, individual short-term and long-term tax rates, tax budget, time horizon and risk profile are all taken into consideration in building the portfolio. The Tactical Allocation Platform is an ideal choice for accounts starting at \$25,000.</p> <p>Diversified Income Platform: Probity Diversified Income Platform is designed for clients who want to maximize returns from current income, and grow those dividends for capital appreciation. Unlike the Probity Fixed Income Platform, which invests in debt instruments only, the Probity Diversified Income Platform focuses on a broad spectrum of income-producing securities, which could range from preferred securities, common stocks, and government bonds to municipal bonds, CMOs, high-yield debt, and other related securities. This diversification over different types of holdings and industry exposures gives Probity portfolio managers the flexibility to look for income and growth opportunities wherever they exist in the market. For clients who want moderate risk, current income growth, and steady, long-term appreciation, Probity Diversified Income Platform is the ideal choice. Qualifying accounts start at \$250,000</p> <p>Fixed Income Platform: Probity Advisors' Fixed Income Platform is a discretionary fixed income program designed for investors seeking current income and/or capital appreciation through investments in debt securities. Our portfolio managers work with the client to design strategies tailored to meet their specific spending needs, safety of principal requirements and asset allocation demands. Fixed Income strategies may include, but are not limited to, laddered, bullet, barbell, cash flow matching or liability immunization and the resulting portfolio may hold underlying securities that include, but are not limited to, US treasuries, agencies, foreign government obligations, domestic corporate bonds, commercial paper, high yield bonds, ETFs and/or closed end funds. Qualifying accounts start at \$100,000.</p> <p>Qualified Retirement Plan Program: The Qualified Retirement Plan Program is a customized, third party administered (TPA) platform designed for the 401K and 403b markets. Employers can now offer their employees a broad spectrum of investment options, ranging from professional management portfolio to employee, self directed accounts. The Qualified Retirement Plan Program is a turnkey solution providing everything an employer needs to comply with ERISA requirements, including census testing, plan documentation and plan administration.</p> <p>Fees associated with the Advantage Platform, Multi-Manager Platform, Tactical Allocation Platform, Fixed Income Platform and Qualified Retirement Plan Program are subject to the fee schedule listed below.</p> <table border="1"> <thead> <tr> <th colspan="2">Probity Advantage Platform</th></tr> <tr> <th>Portfolio Value</th><th>Advisory Fees</th></tr> </thead> <tbody> <tr> <td>\$250,000 - \$499,999.99</td><td>1.22%</td></tr> <tr> <td>\$500,000 - \$999,999</td><td>1.14%</td></tr> <tr> <td>\$1,000,000 - \$4,999,999</td><td>1.05%</td></tr> </tbody> </table>	Probity Advantage Platform		Portfolio Value	Advisory Fees	\$250,000 - \$499,999.99	1.22%	\$500,000 - \$999,999	1.14%	\$1,000,000 - \$4,999,999	1.05%
Probity Advantage Platform											
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Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 2

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Probity Advisors, Inc.	801- 61430	10/29/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer																																												
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<u>Portfolio Value</u>	<u>Advisory Fees</u>																																												
\$0 - \$99,999	1.00%																																												
\$100,000 - \$249,999	0.90%																																												
\$250,000 - \$499,999	0.85%																																												
\$500,000 - \$999,999	0.80%																																												
\$1,000,000 - \$10,000,000	0.75%																																												
Probity Diversified Income Platform																																													
<u>Portfolio Value</u>	<u>Advisory Fees</u>																																												
\$250,000 - \$499,999.99	1.22%																																												
\$500,000 - \$999,999	1.14%																																												
\$1,000,000 - \$4,999,999	1.05%																																												
Probity Fixed Income Platform																																													
<u>Portfolio Value</u>	<u>Advisory Fees</u>																																												
\$100,000 minimum	0.5%																																												

**Schedule F of
Form ADV**

**Continuation Sheet for Form ADV
Part II**

Applicant:	SEC File Number:	Date:
Probity Advisors, Inc.	801- 61430	10/29/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer
	<p>are managed utilizing the same research, trading, accounting and portfolio management systems regardless of the means of introduction to Probity Advisors, Inc.</p> <p>The advisory fee will be payable quarterly in advance. The first payment is due upon execution of the advisory agreement and will be assessed pro rata in the event the agreement is executed at any time other than the first day of the calendar quarter. Subsequent payments are due and will be assessed on the first day of each calendar quarter based on the value of the account's assets under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith.</p> <p>The advisory agreement may be terminated by either party upon written notice to the other. If a Probity account is to be liquidated as a result of termination notice, it is understood that Probity may take up to two trading days to request such liquidation from the Broker. Notice of termination instructions will be forwarded to broker-dealer for processing, liquidation and/or transfer.</p> <p>Firm wide fee schedules are subject to periodic revision. Unless client is otherwise notified through the provisions noted in the client services agreement, accounts may be "grandfathered" at their prevailing fee schedule. These fees may be greater than or less than Probity's current fee schedule. Furthermore, accounts managed on behalf of Probity Advisors' employees and their family members may be subject to alternative fee schedules. In cases where Probity Advisors, Inc. manages a personal account on behalf of an introducing representative or an immediate family member, the introducing representative is not required to charge a representative fee. Exceptions to both the general fee schedule and account minimums may be negotiated and granted on a case by case basis by an accepting officer of the firm. Exceptions are generally approved based on client's total assests under management with the firm.</p> <p>In addition to advisory fees, clients may be subject to service fees, transaction fees or additional management fees associated with the portfolio's underlying holdings (i.e. money markets, mutual funds, ETFs, etc.). Probity receives no compensation from the fees charged on underlying assets, and Probity seeks to minimize these expenses to the degree that it is both possible and to the degree it benefits the client. All fees paid to Probity Advisors, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Probity Advisors, Inc. In that case, the client would not receive the services provided by Probity Advisors, Inc. which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Probity Advisors, Inc. to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.</p> <p>Probity Advisors does not intend to regularly use mutual funds as part of the Advantage Program's investing strategy, but may utilize mutual funds for the Tactical Allocation Program and the Qualified Retirement Plan Program. Typically, mutual funds are only held in an Advantage Program account as a result of in-kind transfers at the time the account was opened with Probity Advisors. These assets are gradually sold and individual securities purchased as the portfolio is transitioned to</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer
Item 4B.8	<p>Probity's models. Mutual funds may be used in instances where the account asset size is too small to otherwise achieve cost efficiency with regards to proper asset allocation or diversification. Mutual funds are utilized for investing purposes in the Qualified Plan Program dependant upon the selection of account option by the participant.</p> <p>Pursuant to Rule 206(4)-6 of the Investment Advisor Act of 1940, Probity Advisors, Inc. does not vote proxies on behalf of clients. Probity Advisors will support clients in formulating their own opinions with regards to their vote and we will assist the client in fulfilling the technical aspects of the proxy, but the client will retain responsibility for fulfillment.</p> <p>In addition to discretionary portfolio management, Probity Advisors Inc. also makes available to clients on a fee basis general financial planning and investment advice. Such services shall be billed to clients on a negotiated hourly basis.</p> <p>Item 4B.8 Probity Advisors may engage in a vast array of original research activities including, but not limited to:</p> <ul style="list-style-type: none"> - Market surveys, interviews and other intelligence-gathering initiatives. - Microeconomic and industrial organizational modeling. - Statistical simulations and forecasts.
Item 5.	<p>Item 5. Probity Advisors requires key staff employees (those who have material influence in determining or giving investment advice to clients) to have either professional certification in estate/financial planning or advanced educational degrees in fields relevant to investment management. The firm recognizes the titles or work toward the title of Chartered Financial Consultant, Certified Financial Planner, Accredited Estate Planner, Chartered Financial Analyst or Certified Public Accountant as meeting the professional certification criteria. A masters or doctoral degree in finance, business administration, financial planning or accounting satisfy the firm's advanced educational requirement.</p>
Item 6.	<p>Item 6. Porter L. Ozanne III, President, DOB 6/15/1948. Education: BA from Southern Methodist University majoring in English 1970. Business background: Has served as principal of Ozanne and Associates, a financial services firm, since 1976.</p> <p>David J. Wootton, CPA, Chief Financial Officer, DOB 1/26/1950. Education: BA from Principia College 1972 majoring in Business Administration, MBA/MS in accounting from Northeastern University 1973. Mr. Wootton is the Chief Financial Officer for Probity and he previously served as Chief Financial Officer of Cebern Capital Group, Inc., a private investment firm involved in venture capital, equipment finance, real estate and securities trading.</p> <p>Christopher T. Sorrow, Vice President/Chief Compliance Officer/Portfolio Manager, DOB 8/31/1973. Education: BA from the University of Rochester 1995, Magna Cum Laude, majoring in Economics and Political Science with a Certificate in Business Administration; MBA from the Edwin L. Cox School of Business at Southern Methodist University 2002; Chartered Financial Analyst (CFA) designation awarded in August 2006. Business background: While attending graduate school served an internship at Crestmont Holdings, a "fund of funds" manager. While there he worked in developing statistical simulations and other methods of measuring and enhancing portfolio performance. Prior to graduate school worked for 5 years as an economist and senior research</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 5

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer
Item 7B.	<p>assistant at Glassman-Oliver Economic Consulting, serving clients involved in arbitrage, mergers and litigation.</p> <p>Item 7B: In addition to investment advice and supervision, Probity Advisors is qualified to provide fee based financial, estate, retirement and pension planning and consulting. This planning and consulting constitutes less than 10% of the firm's total revenue and time expenditure.</p>
Item 8C.	<p>Item 8C. Probity Advisors, Inc. owns 51 percent of WSA Affiliates, LLC, a state Investment Advisory firm. All investment advisory and financial planning services of Probity Advisors, Inc. are provided through Probity Advisors, Inc.'s RIA.</p> <p>David Wootton, the chief financial officer of Probity Advisors, Inc., owns a significant equity interest in a CPA firm, McKinnon, Wootton & Associates, L.L.C. On occasion, Probity clients needing tax or accounting service are referred to McKinnon, Wootton & Associates, L.L.C. Additionally, accounting clients of McKinnon, Wootton & Associates, L.L.C. needing investment services may be referred to Probity Advisors by employees of the CPA firm.</p> <p>Porter L. Ozanne, III also conducts business as Ozanne & Associates, a general insurance agency. Ozanne & Associates operates independently of Probity Advisors.</p>
Item 9E.	<p>Item 9E. Probity Advisors, Inc. may invest in securities that it recommends to clients. Corporate assets and the assets of Probity Advisors, Inc.'s officers and employees (related persons) and their immediate families must be handled in such a manner as to avoid conflicts of interest with respect to the accounts of customers of Probity Advisors, Inc. If trades are entered within an individual account, client orders have priority over those of the related person and his or her immediate family. Furthermore, Probity Advisors' executive officers must be informed of any contemplated trade by the related person prior to a trade in the individual's account. If an omnibus account is utilized for trading, related individuals may participate in the block trade and receive the same executed average price as the client. Under no circumstances are related persons allowed to trade in their individual accounts ahead of a pending block trade in an omnibus account. Related parties are required to submit copies of their personal brokerage account statements for review by Probity Advisors, Inc. on a quarterly basis. A related person may not affect the purchase or sale of a security in his or her personal account, or in an account in which he or she has a beneficial interest, while at the same time recommending contrary action to his or her clients with a similar customer profile, unless client specific circumstances warrant the difference in recommendation or action. Probity Advisors has adopted a code of ethics that explains the firm's trading policies in greater detail. A copy of our code of ethics, along with a copy of our ADV Part II, is available upon request.</p>
Item 10.	<p>Item 10. Probity Advisors' Advantage Platform, Multi-Manager Platform, and are subject to a \$250,000 client minimum. Typically, at least one of the client's accounts must exceed \$250,000, but accounts may, on a negotiated basis, be aggregated to achieve the minimum threshold. Probity Advisors' Fixed Income Platform is subject to a \$100,000 account minimum. Probity Advisors' Tactical Allocation Platform is subject to a \$25,000 client minimum. There are no minimums for the Qualified Retirement Plan Program.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 6

**Schedule F of
Form ADV
Continuation Sheet for Form ADV
Part II**

Applicant: Probity Advisors, Inc.	SEC File Number: 801- 61430	Date: 10/29/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: Probity Advisors, Inc.	IRS Empl. Ident. No.: 35-2175673
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Item of Form (identify)	Answer
Item 12 A & B.	<p>Item 12 A & B. Probity Advisors, Inc. has discretion to make decisions for client accounts relating to which securities to buy and sell and in what quantities. These decisions will be made within the parameters established for each client account. Those parameters are the result of client data collected at the inception of the relationship to determine the investment goals and risk tolerance for each individual client.</p> <p>Probity Advisors, Inc. follows an asset allocation investment strategy consistent with Modern Portfolio Theory (MPT). Studies supporting MPT suggest that diversification among various asset classes may provide higher returns and lower volatility than may otherwise have been achieved through more concentrated, leveraged or alternative investment methodologies. Investing is, however, inherently risky and there can be no assurance that Probity Advisors' investment methodology will produce favorable results.</p> <p>As part of the application process, the client's investment objective, risk tolerance, investment goals, investment preference, and additional information are collected in order to determine an appropriate asset allocation for the client portfolio. Probity Advisors, Inc. may at its discretion deviate from the modeled asset allocation in an attempt to provide additional return or reduce volatility. Deviations from the strategic allocation may occur periodically or for extended periods of time and they may result in the over-weighting or under-weighting certain asset classes, security types, sectors, industries, and cash and cash equivalents, based on Probity Advisor, Inc.'s outlook for the current economic and market circumstances. The client's strategic asset allocation serves as the long-term variance and return target.</p> <p>Probity Advisors, Inc. currently contracts with Southwest Securities, Inc. and Charles Schwab for custodial services and NDX Trading and Charles Schwab for brokerage services. Probity believes Southwest Securities', NDX Trading's and Charles Schwab's pricing and services are competitive with other available brokerage and custodial options in the marketplace. Probity does not receive soft dollars or research as part of the contract with Southwest, NDX Trading or Charles Schwab. Probity does not receive commissions for trades directed through Southwest Securities, NDX Trading or Charles Schwab nor does Probity have the authority to determine the commission rate paid. Other broker/dealer or custodial alternatives may be considered on a negotiated basis between Probity and the client. Probity Advisors' compensation arrangements are more fully disclosed in Item 1D.</p>
Item 13 B.	<p>13 B. Probity Advisors may pay solicitation fees to other Registered Investment Advisor firms with whom Probity Advisors maintains a solicitation agreement. Clients that are introduced to Probity through a third party are considered introduced accounts and the third party's investment representative may receive negotiated compensation for their advisory services and/or referral. Any representative compensation received by third parties is disclosed through separate documentation provided by the third party directly to the client. Probity currently has a selling agreement with Woodbury Financial Services and WSA Affiliates, LLC.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 7